

General Assembly

Raised Bill No. 6901

January Session, 2023

LCO No. 5451



Referred to Committee on APPROPRIATIONS

Introduced by: (APP)

AN ACT CONCERNING A STUDENT LOAN REIMBURSEMENT PROGRAM FOR CERTAIN PROFESSIONALS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (Effective July 1, 2023) (a) On or before October 1, 2 2023, the executive director of the Office of Higher Education shall 3 establish a pilot program to reimburse certain professionals for student 4 loan payments. The Office of Higher Education shall approve the 5 participation of any person in the student loan reimbursement pilot 6 program who (1) attended a state college or university and graduated 7 with a bachelor's degree or left such college or university in good 8 standing before graduation; (2) is currently a resident of the state, and 9 has been a resident of the state for not less than five consecutive years 10 after graduation from a state college or university, as shown on the 11 person's Connecticut income tax return; (3) earns the majority of such 12 person's income through employment in the state, as evidenced on such 13 person's Connecticut income tax return, for two years prior to 14 participation in the program; (4) is employed full-time as a nurse, 15 teacher or in the field of child care, mental health or social services; (5) 16 has (A) a Connecticut adjusted gross income of not more than one

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hundred thousand dollars and files a return under the federal income tax as an unmarried individual or a married individual filing separately, or (B) a Connecticut adjusted gross income of not more than one hundred twenty-five thousand dollars and files a return under the federal income tax as a head of household, a married individual filing jointly or a surviving spouse, as defined in Section 2(a) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time; and (6) has a student loan. For the purposes of this section "state college or university" means any public or private college or university in the state.

(b) Persons who qualify under subsection (a) of this section may apply to the Office of Higher Education to participate in the student loan reimbursement pilot program at such time and in such manner as the executive director of said office prescribes.

- (c) Each person approved to participate in the student loan reimbursement pilot program shall annually submit receipts of payment on student loans to the Office of Higher Education in the manner prescribed by the executive director. The Office of Higher Education shall (1) reimburse such person for such student loan payments an amount of not more than five thousand dollars, annually, provided no person shall participate in the student loan reimbursement pilot program for more than four years or receive more than twenty thousand dollars in aggregate reimbursement for student loan payments, and (2) require such person to volunteer for an approved nonprofit organization in the state for not less than fifty unpaid hours for each year of participation in the student loan reimbursement program. For purposes of this section, volunteer hours may include service on the board of directors for a nonprofit organization or military service.
- (d) Reimbursement payments under the program shall not be considered income for purposes of the state's personal income tax law.
- (e) The Office of Higher Education may use up to two and one-half

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- per cent of the funds appropriated for purposes of this section, annually,
 for program administration, promotion and recruitment activities.
 - (f) Not later than January 1, 2025, and annually thereafter, the executive director of the Office of Higher Education shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to higher education and employment advancement and appropriations and the budgets of state agencies on the operation and effectiveness of the pilot program and any recommendations to expand the pilot program.
- Sec. 2. (*Effective July 1, 2023*) (a) The sum of _____ dollars is appropriated to the Office of Higher Education from the General Fund, for the fiscal year ending June 30, 2024, for the student loan reimbursement pilot program, as described in section 1 of this act.
- (b) Any unexpended funds appropriated for purposes of section 1 of
 this act shall not lapse at the end of the fiscal year but shall be available
 for expenditure during the next fiscal year.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2023	New section
Sec. 2	July 1, 2023	New section

Statement of Purpose:

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To establish a loan reimbursement pilot program for Connecticut residents in certain professions who graduated from a state college or university.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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